

Unraveling the Mystery of the Contingent Labor Category

Presented by Jack Miles, Managing Partner
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In acknowledgment of March as Supply Management Month

Sponsored by:



Your Presenter Today . . .



- ▶ Chief Procurement Officer Emeritus and Former Secretary State of Florida, Department of Management Services
- ▶ Senior sourcing executive, shared services and Chief Procurement Officer roles at leading North American firms including Cigna, Canadian Imperial Bank of Commerce (CIBC), American International Group (AIG), Computer Associates (CA), Travelers, Ames Department Stores, and Prentice-Hall
- ▶ Serves on Advisory Council of DocuSign, Inc.; PeopleTicker, Inc.; Clear Village, Inc.; the Visionaries Council of Coupa Software, Inc.; the Board of Trustees of Florida TaxWatch and is a member of the TaxWatch Center for Government Efficiency
- ▶ Bachelor's degree in Business Administration and Psychology from Ramapo College of New Jersey

Our Agenda Today . . .

- ▶ Terminology
- ▶ The evolution of the category and how it's unique
- ▶ Sourcing considerations
- ▶ Pricing considerations
- ▶ Contracting considerations
- ▶ Benchmarking resources
- ▶ Best practices

Terminology

- ▶ Contingent vs Temporary labor

- ▶ Contractor vs Consultant

“Non-employee manpower”

Evolution of the Category and how it's unique

- ▶ Temporary labor
- ▶ Compliance issues
- ▶ Convergence of firms with objectives and talent with objectives
- ▶ Needs and requirements
- ▶ Labor landscape
 - Standalone / Specialized Temporary Labor
 - Managed Service Providers
 - Vendor Management System

Evolution of the Category and how it's unique

- ▶ Why engaging contingent labor is a rapidly rising trend
 - *“The Rise of the Permanent Temp Economy”* by Erin Hatton (January 26, 2013)
 - Talent shortage
 - Workforce seeking flexibility
 - Companies seeking workforce flexibility
 - Employee pool and corporate interaction/engagement
 - Impact of the Affordable Care Act
 - Short-term trending

Sourcing Considerations

- ▶ Strategy / Objective / Owners of process
- ▶ Engaging partners such as Human Resources, Compliance, and Legal
- ▶ Understanding the business
- ▶ Additional considerations
 - Audit rights
 - Background checks
- ▶ Determining supplier expertise
 - Skill and talent identification
 - Prescreening
 - Credential validation
 - Previous use by stakeholders

Pricing Considerations

- ▶ Bill Rate
- ▶ Markup
- ▶ Pay Rate
- ▶ Statutory Fees

Contracting Considerations

- ▶ Individuals vs Agencies
- ▶ Key terms and conditions
- ▶ Performance monitoring and frequency
- ▶ Ability to audit
- ▶ Pricing negotiations

Benchmarking Resources

- ▶ Websites
 - Payscale.com
 - Salary.com
 - PeopleTicker.com*
- ▶ Market data considerations
- ▶ Prospective vs retrospective

Best Practices

- ▶ Innovations
- ▶ Internal policies / procedures
- ▶ Successful programs

QUESTIONS?



Thank You!